

Fix My Streets Committee Meeting

Road Improvement Assessment Paving Liens

CITY OF NEW ORLEANS FINANCE DEPARTMENT JUNE 29, 2016



Enabling Legislation

RS 33.3301

- □ Not a taxing district
- Assessment based upon a specific and defined improvement benefitting an abutting property



Authority

CHAPTER 7. STREETS AND SIDEWALKS
PART I. STREET IMPROVEMENTS
SUBPART A. MUNICIPAL STREET IMPROVEMENTS
AT INSTANCE OF GOVERNING AUTHORITY

§3301. Street improvements authorized

Municipalities, including those operating under a home rule or special legislative charter, may construct, pave, surface, resurface with concrete, cement, asphalt, brick, gravel, crushed stone, shell, or any paving material, and repair or otherwise improve streets, roads, sidewalks, and alleys, together with the necessary ditching, curbing, guttering, aprons, drains, and headers within their corporate limits, including such streets, alleys or other public ways which may be entirely within the limits or boundaries of such municipality, but along the boundary or limit thereof in such manner that abutting property on one side of such street or other public way is situated wholly or partly outside of such municipality, and may levy and collect local or special assessments on the real property abutting the improvements, including such property as may be located outside the municipal limits but abutting a street or other public way located within the municipal limits, sufficient in amount to defray the total cost of the works, including street intersections, in the form and manner and subject to the limitations and restrictions as follows provided, however, that all such work shall be done under the provisions of R.S. 38:2211.

Amended by Acts 1950, No. 192, §1; Acts 1975, No. 46, §1, eff. June 23, 1975.



Legislative Requirements

- ☐ Public Hearing requirements
- Ordinance requirements
- □ Notification Requirements: Official Journal, Certified letter, other that Council may require
- ☐ Front foot assessments estimated before Ordinance passed



Other Requirements

- Contract publically bid and awarded
- Liens due within 30 days but can be assessed over time, typically 10 years
- Lien will appear on tax bills
- Lien is prime to all except taxes
- Department of Treasury responsible for collection and current inscription of lien
- ☐ Interest rate and penalties applied per state statute



Financing:

Assessment Certificates: maturing over no more than 10 years, are payable from front-foot assessments levied against property which abuts the facilities being improved. The debt is secured by front-foot assessments levied against the property benefitted by the improvements, and further by a lien on such property. The lien precedes even prior recorded mortgage.

Pay as you go



□ Finance Department
Beverly B. Gariepy
Deputy Director